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ABERDEEN ASSOCIATION OF SOCIAL SERVICE (OPERATING AS VSA)

REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2026

Charity Registration No. SC012950 (Scotland)
Company Registration No. SC018487 (Scotland)

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ABERDEEN ASSOCIATION OF SOCIAL SERVICE (OPERATING AS VSA)

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	J Knowles (Chair of Trustees) Z Yuill (Vice Chair of Trustees) M Gibson A Thom J Harper L Hancock A McBurnie G Watt C Wilkie S Barnett R Gupta J Ochei A Gall K Shand J Reynolds
Secretary	Avril Cope
Charity number (Scotland)	SC012950
Company number	SC018487
Operating name	VSA
Registered office	38 Castle Street Aberdeen AB11 5YU
Auditor	Hall Morrice LLP 6 & 7 Queens Terrace Aberdeen AB10 1XL
Bankers	Bank of Scotland 39 Albyn Place Aberdeen AB10 1YN
Solicitors	Burness Paull LLP 2 Marischal Square Broad Street Aberdeen AB10 1DQ
Investment advisors	LGT Wealth Management UK LLP 1 George Street Edinburgh EH2 2LL

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ABERDEEN ASSOCIATION OF SOCIAL SERVICE (OPERATING AS VSA)
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The trustees are pleased to present their report including a strategic report together with the audited financial statements for the year to 31 March 2026.

Directors and Trustees

The Directors of Aberdeen Association of Social Service "operating as VSA" (the charity), are its Trustees for the purpose of charity law and throughout this Trustees' Report are collectively referred to as the Trustees.

The Trustees of Aberdeen Association of Social Service who were in office during the year and up to the date of signing the Financial Statements were:

J Knowles	Chair of Trustees
Z Yuill	Vice-Chair of Trustees
M Gibson	Full Year
A Thom	Appointed 30 October 2025
J Harper	Resigned 9 January 2026
L Hancock	Resigned 7 April 2025
A McBurnie	Resigned 19 June 2025
G Watt	Full Year
C Wilkie	Resigned 30 October 2025
S Barnett	Resigned 16 October 2025
R Gupta	Full Year
J Ochei	Appointed 5 May 2025
A Gall	Appointed 15 May 2025
K Shand	Full Year
J Reynolds	Appointed June 2025

Key Management Personnel (Executive Management Team) at 31 March 2026

A Jones	Chief Executive (interim)
K Butler	Chief Financial Officer
A Garden	Director of Operations
J George	People Director
L Wardle	Transformation Director

Objectives and Activities

The objectives of the charity are:

- To provide for the general welfare of children, families, adults, older people, disabled people, and people in need who are partially or wholly unable to provide for themselves.
- To act in co-operation with the statutory authorities and other organisations, voluntary or otherwise, engaged in the furtherance of general welfare.
- To establish, take over or administer, either alone or along with others, charitable funds, or agencies, either as Trustees or in any other capacity.
- To establish and operate agencies or bureau for the purpose of giving advice or assistance on problems of a monetary and/or social nature, to those in need.
- To provide facilities for training in social service and for advancing the interest of the public in social work.

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The main objectives and activities for the year continued to focus on providing a high level of care to existing service users whether they be children, families, adults, or older people. The Trustees have had specific regard to the Charity Commission guidance on public benefit in section 4 of the Charities Act 2006 and the Scottish Charity Code of Governance.

Mission

The charity's mission is to provide the best of care and support to enable our community to fulfil its potential.

Structure, Governance and Management

Governing Document

Aberdeen Association of Social Service, operating as VSA, is a charitable private company limited by guarantee and governed by its Memorandum and Articles of Association as amended on 29th November 2024 per Companies house. It is a registered charity with the Office of the Scottish Charity Regulator (OSCR).

Recruitment and Appointment of Trustees

The Board of Trustees aims to be a clearly identifiable body with the right balance of skills and experience to govern VSA effectively. Each Trustee has an individual, as well as collective, responsibility for exercising general control and management over the administration of VSA. The Board of Trustees directs the affairs of VSA and ensures that it is well run, delivers on its charitable objectives for the benefit of the public and remains solvent at all times.

The Board of Trustees understands its responsibilities and ensures it has systems in place to deliver them effectively. This includes the identification of the broad skills, knowledge and experience required for the effective direction of VSA. The recruitment, selection and rotation of Trustees is based on the mix of skills, knowledge and experience that individuals have to offer, bringing diversity to the Trustee body. All potential Trustees are interviewed by two nominated Trustees before being recommended to the Board for approval.

The Board of Trustees is comprised of members who are elected as individuals. Members of the Board are elected at the Annual General Meeting, normally for a period of three years and for two terms of office, although there are no restrictions on the number of three-year terms which can be served. Usually, one-third of the current Board members retire each year, and are eligible for re-election, usually for no more than three terms of office. Members can be co-opted to the Board as vacancies arise and may be nominated for election at the next Annual General Meeting. There should be no fewer than eight and no more than 20 members of the Board.

The board draws expertise from health, social care, business, law, and sustainability. In May 2025 we welcomed Dr Angela Gall, a recently retired Consultant in Rehabilitation Medicine with over 30 years of NHS experience, and Zoe Yuill, a consulting partner at Green Arch Consulting and specialist in integrating sustainability and ESG into business strategy. Their appointments strengthen our governance, aligns with our strategy and enhances our net zero ambitions.

Chaired by James Knowles, the board meets regularly to review performance, manage risk and oversee the transformation programme. Trustees also serve on sub-committees covering corporate resources, finance, and risk. During this financial year John Harper, Adrian McBurnie, Simone Barnett and Claire Wilkie stood down as Trustees and we would like to take this opportunity to thank them all for their service on the VSA Board.

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We continue to recruit Trustees with diverse backgrounds to reflect our ambitions, services, and the communities we serve.

Trustee Remuneration and Insurances

VSA follows the OSCR regulations and guidance on Trustee remuneration and no Trustees will be remunerated from the charity's assets unless there are exceptional circumstances that arise which comply with the OSCR regulations and guidance. There were no Trustee remuneration payments and no payments for expenses to the Trustees in the reporting year. During the year qualifying third party indemnity insurance was in place to indemnify the Trustees against the consequences of any neglect or defaults.

Trustee Induction and Training Programmes

New Trustees are provided with a copy of the Memorandum and Articles of Association and Board, Committee Terms of Reference, key policies and other governance documents that explain the role, responsibilities and operation of the Board, its Committees and Sub-Committees. VSA maintains an ongoing programme of Trustee development and training to ensure the Board has the knowledge and skills required to fulfil its governance responsibilities effectively. During the year, Trustees participated in training on good governance, the Scottish Governance Code, cyber security, data protection and other areas relevant to the charity's activities and regulatory obligations. Training needs are reviewed regularly through the Trustee Skills Matrix and annual appraisal process.

To further enhance their understanding of the charity's work and the experiences of those it supports, Trustees are encouraged to undertake regular visits to VSA services and engage directly with operational teams. These visits provide valuable insight into service delivery, strategic challenges and opportunities, helping to inform Board decision-making and oversight.

Organisational Structure

The Board of Trustees meets quarterly to deal with normal business. The governance and management structure of the charity includes a Services Committee, a Corporate Resources Committee, Property Committee, Remuneration & Nominations Committee and also an Audit & Risk Committee. These Committees meet regularly to monitor the work and performance of the charity and to develop new policies and initiatives as appropriate and make recommendations to the full Board of Trustees. An Executive Committee can be called to act on behalf of the Board as required.

Section 172 Statement, Employee Engagement and Business Relationships

Aberdeen Association of Social Service trustees are Directors for the purposes of company law. The Directors are committed to acting in accordance with a set of general duties that are set out in section 172 of the Companies Act 2006. They act in a way that they consider, in good faith, would be most likely to promote the success of the charity for the benefit of its members as a whole, and in doing so have regard to the following factors:

- **The likely consequences of our decisions in the long term**

Financial and operational sustainability is integral to our ability to deliver complex care to the vulnerable people in the community that the charity supports. We continue to respond to the changing demands of local social care priorities. Our priority is seeking to meet the increasingly complex care needs support against a backdrop of ever tighter budgets in public spending and increased costs of employment.

- **The interests of employees**

Attracting, motivating, training and retaining staff and volunteers is fundamental to keeping people safe and leading independent lives. Our people review sets out how we do this.

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- **Business relationships with key stakeholders, suppliers and customers**

Close partnership with the local authorities is vital for our work. We continue to work with the Health and Social Care Partnership to fill service gaps and provide regular updates. We hold consultations with our users and their families and connect with other local charities to best meet local needs. We work with businesses to support the delivery of our care and where possible use local suppliers to build on the strength of relationships in Aberdeen and NE Scotland.

- **Impact on the community and the environment**

VSA services are an integral part of the Northeast of Scotland community and economy. We are conscious of the environmental impact of our operations and continue to take steps to reduce our carbon footprint.

- **High standards of business conduct**

We work in a highly regulated environment and are committed to maintaining the highest possible level of care as noted in our service review. We aspire to the highest standards of fundraising as noted in our fundraising, philanthropy and partnership giving review. We are committed to the Scottish Fundraising Standards Panel and are active members of CCPS (Coalition of Care & Support Providers in Scotland) which adheres to the requirements of the Lobbying (Scotland) Act 2016 in our relationships with elected members of the Scottish Parliament and other government officials.

- **The need to act fairly between members of the company**

Our board and its various committees operate within clear terms of reference with reviews of Board effectiveness.

Strategic Report

The descriptions under the headings “Principal Risks and Uncertainties,” “Reports from Services” and “Financial Review” meet the company law requirements for the Trustees, in their role as company Trustees, to provide a strategic report.

Principal risks and uncertainties

Risk Management Framework Overview

The Board of Trustees is ultimately responsible for the effectiveness of risk management within VSA and for ensuring there is a strong risk management culture, supported by appropriate internal control systems and processes. This includes overseeing how risks are identified, assessed, and mitigated across the organisation.

VSA operates a two-tiered risk management framework designed to ensure that both corporate and operational risks are appropriately identified, assessed, managed, and monitored.

- **Operational Risk Register**

The Operational Risk Register captures risks that arise from day-to-day operations across services, support functions, and departments. These may include risks relating to people, systems, compliance, service quality, or internal processes. The Executive Management Team (EMT) reviews and maintains the Operational Risk Register regularly, ensuring control measures are in place and that mitigation actions are monitored and updated as required.

If an operational risk is considered to have potential strategic or organisation-wide impact, such as affecting VSA’s long-term objectives, reputation, regulatory compliance, or financial sustainability, it will be escalated to the Corporate Risk Register.

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- **Corporate Risk Register**

  The Corporate Risk Register (formerly referred to as the Strategic Risk Register) captures those risks that could inhibit the smooth running, operational effectiveness, and reputation of the VSA. These risks often include external threats (e.g. funding, policy changes), governance risks, or major internal challenges.

  The Audit & Risk Committee reviews the Corporate Risk Register in detail on a quarterly basis, assessing the effectiveness of controls, mitigating actions, and alignment with strategic priorities.

The principal strategic risks and uncertainties, along with the mitigating measures which are in place, are as follows:

Principal risks and uncertainties	Risk mitigation measures
Ability to deliver competent leadership and plan for leadership succession (trustee and employee succession plan)	Succession profiling and planning for both EMT and Trustees
Ability to maintain or develop income streams and control expenditure to ensure sustainability	Careful scrutiny of cash flows and free reserves. Finance new projects and maintain VSA estate whilst being prepared for unforeseen circumstances Strategy and sustainable improvement plan developed to deliver net positive cashflows in medium term
Protect the charity's aims & objectives	2025-2035 Strategy development work completed and approved by Trustees Strengthen relationships with key stakeholders
Ability to attract, maintain and grow supporters	Fundraising communications and marketing strategy which aligns VSA strategy brand and narrative to its purpose
Ability to manage a critical incident well (Critical Incident Plan)	Business continuity and disaster recovery plan
Ability to deliver core services effectively	Ensure mechanisms are in place to monitor, evaluate and maintain high standards of care and support for individuals
Successfully implement change management	CEO, Executive Directors and senior leadership team are driving organisational change through structured coaching, staff engagement and a new operational model
Uncertainty associated with building dispute	External expertise engaged

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Report from services

Overview of Community-Based, Residential, Care at Home and Housing Support Services

Introduction

VSA provides a range of community-based and residential services across Aberdeen City and Aberdeenshire. These services support children, young people, adults and older people with a variety of care and support needs.

Residential services are delivered across a range of settings, including residential care homes and supported accommodation. Support is provided both within VSA properties and, where appropriate, in people's own homes.

Residential services

VSA's residential services include care homes and specialist residential provision designed to meet the needs of individuals requiring structured care, support and accommodation:

- Linn Moor School – A residential school offering 21 residential placements and 5 day placements for young people with complex care needs. In accordance with the Children and Young People (Scotland) Act 2014, the school also offers Continuing Care placements for eligible young people until their 21st birthday
- Queen Mother House, St Aubin's, Arrdeir and Northfield Lodge – Residential care homes for adults with mental health needs
- Crosby House – Residential care home for older people

Care at home and housing support

Care at Home and Housing Support services are provided to people with a range of needs across VSA properties and community-based tenancies.

VSA Properties

- Westerton Crescent – Mental health service
- Forest Gate Lodges – Support for adults with learning disabilities
- Craigton Grove and Associated Housing – Support for adults with learning disabilities
- Broomhill Park and Cloverfield Grove – Very sheltered housing complexes

Community-Based Tenancies

VSA also provides support to people living in other community-based tenancies, including sheltered housing complexes and individuals receiving care in their own homes.

- Bressay Brae, Park Street and Aboyne Terrace – Sheltered housing complexes where Sanctuary Housing is the landlord and VSA staff provide Care at Home and Housing Support
- VSA @ Home – Care at Home service forming part of the Granite Care Consortium, providing support to people in their own tenancies

Support for unpaid carers

VSA is commissioned to provide support to unpaid carers in Aberdeenshire through the Young Carers and Adult Carers Support services. In 2025–2026, the service supported 1623 adult carers and 335 young carers.

Regulation and inspection

The majority of VSA services are regulated and inspected annually by the Care Inspectorate. Inspection reports are publicly available and provide independent feedback on service quality, safety, leadership and outcomes for people using the services.
Examples of inspection feedback from this reporting period are summarised below.

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Service	Date of inspection	Ratings	Highlights
Arrdeir	4 & 5 August 2025	Grades of 5 – Very Good	Person centred care informed by individual needs and preferences Personal Plans included WRAPs (wellness recovery action plans) Setting described as warm, friendly, safe & secure
St. Aubins	29 & 30 April 2025	Grades of 5 across all inspection themes with exception of environment which was graded as a 4 (good)	Respectful interaction between staff and residents Quality assurance systems well established Staff felt supported in their roles through regular access to supervision, appraisals, and informal support.

People review

Supporting, developing and celebrating our people

Throughout 2025–26, our colleagues continued to demonstrate professionalism, resilience and a strong commitment to delivering person-centred support, often in challenging and rapidly changing circumstances.

Volunteers

Volunteers remain an important part of our culture and community. During 2025–26, around 100 volunteers generously gave their time and talents across a wide range of activities. Their support includes:

- helping to deliver fundraising events
- contributing to governance
- assisting at the Mercat Bookshop and Easter Anguston Farm
- supporting property improvement projects
- providing companionship and practical support to those who use our services and their carers

Employee Partnership Forum

2025–26 VSA's Employee Partnership Forum has gone from strength to strength

- engaged in the CEO recruitment process
- re-developed our Supervision policy, processes and recording to focus more on our colleagues' wellbeing and development
- strengthened the scope of our Senior Management Team and their involvement in improvement projects

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Training

There are now 66 courses in total, supported by a competency framework that is designed in collaboration with the senior managers, listing the mandatory and voluntary training for each service and job role:

- updated face-to-face training, e-learning courses and launched Mental Health Awareness, Practical Strategies for Support Staff, Trauma-skilled Practice, Health and Safety Awareness e-learning and a full day Personal Safety Course
- accredited our Training Business Partners to deliver a three-day Health and Safety level 3 Qualification
- created our own medication e-learning course to complement our face-to-face training which is tailored to our policy and procedures
- accredited SQA Centre enabled 55 more staff to gain nationally recognised qualifications, and we continued to embed a culture of continuous learning, providing qualifications across all service roles. We continue to receive good feedback from SQA quality assurance visits across the qualifications we deliver often with 'good practice' highlighted
- Modern Apprenticeship (MA) framework was awarded another contract from Skills Development Scotland (SDS) to enable 57 new apprentices. We received strong feedback from SDS with areas of the quality criteria graded excellent
- audited as part of a SDS Thematic Review for Meta-skills and our good practice in delivery of meta-skills was highlighted in their National Report

Together, our staff and volunteers are the foundation of VSA's success. Their commitment, expertise and compassion enable us to deliver high-quality support while continuing to strengthen our organisation for the future.

Key people statistics

Metric	Figure (2025/26)	Overview
Total employees	**627**	Across all services and functions
Volunteers	**94**	Supporting services, fundraising and governance
Long serving staff	**40 years**	VSA is very proud to have numerous long-serving colleagues working tirelessly for the charity over multiple decades.
Qualifications	**55**	55 professional qualifications were achieved through our SQA accredited centre. We are currently supporting 89 VSA employees to achieve their qualifications.
Additional metrics		76% Female / 24% Male British 63.5% / EU 11% / Other Nationalities 25.5%

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Fundraising, philanthropy, and partnership community giving

The fundraising landscape continues to be highly competitive and challenging. Despite these pressures, we are delighted to report another year of exceptional generosity from our supporters. During the year, we raised approximately £1 million in donations. Income was generated through a diverse mix of sources, including individual giving, grant funding, corporate partnerships and a wide range of fundraising events. The success of this year's fundraising activity enabled us to continue delivering our essential services.

VSA's marketing campaign SOS

In '25/'26 we launched our Save Our Social Care marketing campaign designed to shine a spotlight on the extraordinary work of our staff and the people we support. The campaign celebrated the compassion, dedication and professionalism of our frontline teams, while also sharing powerful stories from those who benefit from our services.

Corporate volunteering

Corporate volunteering continues to play a vital role in enhancing our services and improving the environments we provide for those we support. From essential maintenance tasks such as painting and fence repairs to more ambitious projects like building multi-purpose summerhouses, these contributions make a meaningful difference to our facilities.

Fundraising events

- Our partnership with local radio station Original FM for our Christmas Appeal saw an incredible response from the community, with generous donations of unwrapped gifts collected across numerous drop-off locations. These were distributed across all our services, ensuring that the vulnerable children and adults we support throughout Aberdeen City and Shire were able to receive gifts during the festive period

- Our Fundraising Ball delivered a significant contribution towards our services, while strengthening relationships with our valued supporters and partners

- Run Balmoral, where participants from across our community and corporate partners took on the challenge within the grounds of the Balmoral Estate

- We were proud to have supporters take part in the London Marathon, demonstrating remarkable dedication and resilience

- Sing Sing Sing brought together choirs from across the community in a joyful celebration of music and togetherness. We extend our sincere thanks to all of the choirs who took part for their passion, energy and support in making the event such a success.

Together, these events reflect the passion and commitment of our supporters, whose efforts enable us to continue delivering essential services and making a difference in the lives of those we support. We extend our heartfelt thanks to all those who supported us your generosity remains the foundation of everything we do.

Financial Review

Financial year 2025/26 was the eleventh year of adoption of the Accounting Standard FRS 102 and the Charities Statement of Recommended Practice (SORP).

The financial results of the Charity show net deficit for the year of £(768,000) (2025: net deficit of £(2,769,000) prior to revaluation of tangible fixed assets. This is further analysed as follows;

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	£'000
Net Outgoing Resources from charitable activities and trusts & endowments before Depreciation	(593)
Deduct: Depreciation charged to unrestricted funds	(518)
Depreciation charged to revaluation reserve	(361)
Adjustment for: Realised/Unrealised Gain on Investments	190
Add back Release of Deferred Income on Restricted Funds	279
Adjustments to Reallocate Project Costs and Staff Time to Fixed Assets	142
Adjustment for movement in debtors and creditors	93
Net deficit	(768)

Future plans

Financial stability is key for the next year with trustees focusing on ensuring services are able to cover overhead costs required to deliver services to our users and staff. This includes monitoring of the changes to contracts, continuing to work closely with our partners in delivery of high quality care that is appropriately funded, and ensuring our overhead costs are right sized and well managed.

In addition the trustees will continue to seek opportunities to maximise the use of our extensive property portfolio, explore social enterprise options that support our purpose and demonstrate the use of donations and funds in the improvement of our services and service users care.

Going concern policy

The Trustees believe, after careful consideration of (1) the level of investments (2) review of future funding requirements and (3) cashflow projections, that the Charity has sufficient financial resilience to continue in operational existence for the foreseeable future and has assumed that there will be no changes to the regulatory framework or Government policy that will affect the Charity's viability. The Trustees therefore consider it appropriate to adopt the going concern basis in preparing these financial statements.

Reserves Policy

The Trustees consider it appropriate that the policy should have the objective of holding reserves for future unanticipated operating costs and capital projects equating to at least 3 months of total operating income (previously stated 6 months). The policy remains under review on at least an annual basis and will be adjusted to respond dynamically to both internal and external financial events.
At 31 March 2026 the actual level of available reserves (investments plus bank balances) was £3,570k. The target level of available reserves, based on 3 months equivalent operational income (excluding legacies and donations) in 2025/26, is £5,000k. The actual level of reserves fell short of this target at 31 March 2026.

The Trustees continue to keep the policy and actual reserve level under close review.

Principal funding sources

The principal funding sources are currently by way of grants from Aberdeen City Council, both directly and via the Aberdeen City Health & Social Care Partnership, as well as income from board and residential charges. Some services such as Linn Moor School receive funding from local authorities throughout Scotland depending on the clients who make use of the service. Aberdeenshire Council provide funding for the Aberdeenshire Carers service. Funding is also received from The Scottish Government as well as individual Trusts, Foundations and Corporate bodies. More detail on grants is given in Note 4 of the Financial Statements.

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Investment powers and policy

Under the Memorandum and Articles of Association, the Trustees have the power to make any investment for the benefit of the charity but not for the avoidance of tax. The Trustees, having regard to the charity's liquidity requirements, have a policy of keeping an appropriate level of funds available in interest bearing bank accounts to meet short-term operational needs. The remaining funds are held in a portfolio managed by the charity's appointed investment managers, LGT Wealth Management. The only investment restriction agreed by the Trustees is that the fund is not to invest directly in the tobacco sector.

Remuneration policy

VSA's remuneration policy is designed to support the achievement of its charitable objectives by attracting, motivating and retaining a skilled and committed workforce. The organisation seeks to balance affordability, fairness and competitiveness, while ensuring remuneration arrangements remain aligned with its values, charitable purpose and financial sustainability.

The Board of Trustees has delegated oversight of remuneration to the Remuneration & Nominations Committee, which meets at least annually to review remuneration policy, pay structures and workforce-related risks. The Committee considers a range of factors when making recommendations, including benchmarking against comparable roles in the voluntary, public and local employment markets, recruitment and retention data, independent salary surveys, legal and regulatory requirements, and the financial position of the charity.

The charity maintains a structured pay framework based on the responsibilities and requirements of roles and undertakes regular reviews to ensure pay remains fair, transparent and competitive. Where justified by recruitment and retention challenges, the organisation may consider targeted retention payments or other non-consolidated payments, subject to appropriate governance and affordability considerations.

The remuneration of the Chief Executive is determined by the Remuneration & Nominations Committee and approved by the Board of Trustees. Decisions relating to senior leadership remuneration are informed by external benchmarking, organisational performance, internal pay considerations and the scale and complexity of the charity. The Chief Executive is not involved in decisions regarding their own remuneration. VSA does not operate performance-related bonus schemes linked to profit generation.

The policy is reviewed annually to ensure that remuneration practices remain appropriate, transparent and consistent with good governance and the long-term interests of the charity and its beneficiaries.

Equal opportunities policy

VSA remains committed to fostering an inclusive, diverse, and equitable environment for employees, volunteers, service users, and all stakeholders. Our Equal Opportunities Policy supports our commitment to ensuring that no individual experiences discrimination, harassment, bullying, or victimisation on the grounds of age, disability, race, ethnicity, sex, gender reassignment, pregnancy and maternity, marital status, religion or belief, or sexual orientation.

Throughout the year, VSA continued to apply equality principles across all aspects of employment, including recruitment, promotion, training, pay, benefits, and career development. Employment decisions were made objectively, based on skills, experience, and job requirements, with reasonable adjustments provided where required to support individuals with disabilities.

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We maintained our commitment to providing accessible and inclusive services, ensuring that service users, volunteers, and visitors are treated fairly and with dignity. Any concerns relating to discrimination, harassment, or bullying are managed in accordance with our Dignity at Work and Grievance procedures.

To support compliance and awareness, equal opportunities and dignity at work training remains available to employees and managers. This helps ensure colleagues understand their rights, responsibilities, and the standards of behaviour expected across the organisation.

As part of our ongoing monitoring arrangements, VSA reviews workforce and recruitment data, including age, gender, ethnicity, and disability information where voluntarily provided. This monitoring enables us to identify trends, address potential barriers, and promote balanced representation throughout the organisation.

No tolerance is shown towards unlawful discrimination, harassment, bullying, or victimisation, and all complaints are taken seriously and investigated appropriately. The policy continues to be reviewed regularly to ensure compliance with current legislation and alignment with best practice.
Overall, VSA remains committed to creating a workplace and service environment where everyone is treated with dignity, respect, fairness, and equality of opportunity.

Sustainability Report

Summary of performance

VSA's key sustainability performance indicators are shown below.

Energy	Consumption (kWh)		Tonnes CO2e	
	2025/6	2024/5	2025/6	2024/5
Gas	3,491,182	4,148,108	639	759
Electricity	1,379,516	1,556,367	244	322
Transport incl. Grey Fleet	338,718	359,740	81	86
Total	5,209,416	6,064,215	964	1,167

The charity contracts with carbon footprint consultants Auditel (UK) Ltd to verify its carbon footprint.

Note: A correction to the 2024/25 emissions from grey fleet has been made and using an improved methodology.

	kWh	tCO2e
Previously calculated 2024/25 totals	6,029,160	1,156.54
Recalculated 2024/25 totals	6,064,215	1,166.44
Increase	35,055	9.90
% Increase	0.58%	0.86%

Intensity ratio

We continue to use tCO2/FTE (tonnes of CO2e per Full Time Equivalent) as the intensity ratio as ours is a people-based organisation. This intensity ratio will best reflect changes in operation and energy consumption over time. In 2025/6 the ratio was 2.56 compared to 2.94 for 2024/5.

Efficiency

During 2025/2026, VSA continued its ongoing programme of lighting replacement using LED. We replaced the boilers in Crosby House using Broag Remeha hi-efficiency gas boilers and also the hot water system using a new buffer vessel with a plate heat exchanger. We continue to reduce our carbon footprint with reductions year on year over the last 5 years.

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Quantification and reporting methodology
The methodology we have used is The GHG Protocol Corporate Accounting and Reporting Standard.
We have followed the 2013 UK Government Environmental Reporting Guidelines (updated March 2019).
We have used the 2025 UK Government's Conversion Factors for Company Reporting.
The energy efficiency narrative methodology has been created based on energy management best practice.

We have used the financial control approach.

Carbon Reduction

It is the charity's aim to ensure its environmental commitments continue to be an integral part of its day-to-day activities. It will continually improve its environmental impacts and operate in a responsible manner including reducing waste and making reductions in carbon emissions from heat, power, and travel.

Auditor

The auditors, Hall Morrice LLP, have indicated their willingness to continue in office and a resolution concerning their reappointment will be proposed at the Annual General Meeting of the charity.

The Trustees' Report was approved by the Board of Trustees.

James Knowles

J Knowles (Chair of Trustees)
Trustee
23 September 2026

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ABERDEEN ASSOCIATION OF SOCIAL SERVICE (OPERATING AS VSA)

STATEMENT OF TRUSTEES RESPONSIBILITIES FOR THE YEAR ENDED 31 MARCH 2026

The Trustees, who are also the Directors of Aberdeen Association of Social Service (Operating as VSA) for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

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Opinion

We have audited the financial statements of Aberdeen Association of Social Service (Operating as VSA) (the 'charitable company') for the year ended 31 March 2026 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2026 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;

- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and

- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Trustees Report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 require us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on page 17, the Trustees (who are also the Directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud as detailed below.

In identifying and assessing the risk of material misstatement due to non-compliance with laws and regulations we have

- Ensured that the engagement team had the appropriate competence, capabilities and skills to identify or recognize non-compliance with laws and regulations;
- Identified the laws and regulations applicable to the entity through discussions with directors and management and through our own knowledge of the sector;
- Focused on the specific laws and regulations we consider may have a direct effect on the financial statements, including FRS 102, the Charities SORP, the Companies Act 2006 the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended);
- Focused on the specific laws and regulations we consider may have an indirect effect on the financial statements that are central to the entity's ability to conduct its charitable activities;
- Reviewed the financial statement disclosures and tested to supporting documentation to assess compliance with applicable laws and regulations;
- Made enquiries of management and inspected correspondence with the charity's regulator OSCR and legal correspondence;
- Ensured the engagement team remained alert to instances of non-compliance throughout the audit; and
- Reviewed minutes of meetings of those charged with governance.

In identifying and assessing the risk of material misstatement due to irregularities, including fraud and how it may occur, and the potential for management bias and the override of controls we have

- Obtained an understanding of the entity's operations, including the nature of its revenue sources and of its objectives and strategies, to understand the classes of transactions, account balances, expected financial disclosures and business risks that may result in risk of material misstatement;
- Obtained an understanding of the internal controls in place to mitigate risks of irregularities, including fraud;
- Vouched balances and reconciling items in key control account reconciliations to supporting documentation;
- Carried out detailed testing, on a sample basis, to verify the completeness, existence and accuracy of transactions and balances;
- Carried out detailed testing to verify the completeness, validity, existence and accuracy of income including cut-off testing and ensure income recognition is in line with stated accounting policies;
- Made enquiries of management as to where they consider there was a susceptibility to fraud, and their knowledge of any actual, suspected or alleged fraud;
- Tested journal entries to identify any unusual transactions;
- Performed analytical procedures to identify any significant or unusual transactions;
- Investigated the business rationale behind any significant or unusual transactions; and
- Evaluated the appropriateness of accounting policies and the reasonableness of accounting estimates.

We did not identify any matters relating to non-compliance with laws and regulations or relating to fraud.

Because of the inherent limitations of an audit, there is an unavoidable risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. The risk of not detecting a material misstatement due to fraud is inherently more difficult than detecting those that result from error as fraud may involve intentional

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concealment, forgery, collusion, omission or misrepresentation. Also, the further removed any non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: http://www.frc.org.uk/auditorsresponsibilities.

Use of our report

This report is made exclusively to the members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charity's Trustees, as a body, in accordance with regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the members and the charity's Trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity, its members as a body, and its Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Derek Petrie

Derek Petrie CA
Senior Statutory Auditor
23 September 2026

For and on behalf of Hall Morrice LLP
6&7 Queens Terrace
Aberdeen
AB10 1XL
Statutory Auditor

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ABERDEEN ASSOCIATION OF SOCIAL SERVICE (OPERATING AS VSA)

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2026

	Notes	Unrestricted funds £'000	Restricted funds £'000	Total 2026 £'000	Total 2025 £'000
Income from:					
Donations and legacies	3	330	531	861	645
Charitable activities	4	19,690	2,251	21,941	20,786
Other trading activities	5	160	-	160	175
Investments	6	84	-	84	142
Total income		20,264	2,782	23,046	21,748
Expenditure on:					
Raising funds	7	318	-	318	329
Charitable activities	8	21,074	2,615	23,689	24,108
Total resources expended		21,392	2,615	24,007	24,437
Net (losses)/gains on investments	13	193	-	193	(80)
Net incoming/(outgoing) resources before transfers		(935)	167	(768)	(2,769)
Gross transfers between funds		-	-	-	-
Net movement in funds		(935)	167	(768)	(2,769)
Revaluation of tangible fixed assets		745	-	745	-
Total funds brought forward		37,830	330	38,160	40,929
Total funds carried forward		37,640	497	38,137	38,160

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

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ABERDEEN ASSOCIATION OF SOCIAL SERVICE (OPERATING AS VSA)

BALANCE SHEET ACCOUNT FOR THE YEAR ENDED 31 MARCH 2026

	Notes	2026 £'000	2026 £'000	2025 £'000	2025 £'000
Fixed assets					
Intangible assets	**14**		48		15
Tangible assets	**15**		34,306		34,328
Investments	**16**		1,261		2,979
			35,615		37,322
Current assets					
Debtors	**17**	2,092		1,964	
Cash at bank and in hand		2,310		792	
		4,402		2,756	
Creditors: amounts falling due within one year	**18**	(1,880)		(1,918)	
Net current assets			2,522		838
Net assets			38,137		38,160
Income funds					
Restricted funds	**22**		497		330
Unrestricted funds					
Designated funds	**23**	4		12	
Revaluation reserve	**24**	21,662		21,702	
General unrestricted funds		15,974		16,116	
			37,640		37,830
			38,137		38,160

The financial statements were approved by the Trustees and authorised for issue on 23 September 2026.

James Knowles

J Knowles (Chair of Trustees)

Zoe Yuill

Z Yuill (Vice Chair of Trustees)

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ABERDEEN ASSOCIATION OF SOCIAL SERVICE (OPERATING AS VSA)

STATEMENT OF CASH FLOWS AS AT 31 MARCH 2026

		2026		2025	
Cash flows from operating activities	**Notes**	**£'000**	**£'000**	**£'000**	**£'000**
Cash (absorbed) by operations	**26**		(332)		(1,577)
Investing activities					
Purchase of intangible assets		(55)		-	
Purchase of tangible fixed assets		(90)		(25)	
Purchase of investments		(293)		(576)	
Proceeds on disposal of tangible fixed assets		-		523	
Proceeds on disposal of investments		2,204		595	
Investment income		84		142	
Net cash generated from investing activities			1,850		659
Net cash generated from financing activities			-		-
Net increase/(decrease) in cash and cash equivalents			1,518		(918)
Cash and cash equivalents at beginning of year			792		1,710
Cash and cash equivalents at end of year			2,310		792

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ABERDEEN ASSOCIATION OF SOCIAL SERVICE (OPERATING AS VSA)

STATEMENT OF NOTES TO THE ACCOUNTS AS AT 31 MARCH 2026

1 Accounting policies

Charity information

Aberdeen Association of Social Service (Operating as VSA) is a private charitable company limited by guarantee incorporated in Scotland (SC018487). The registered office is 38 Castle Street, Aberdeen, AB11 5YU.

Accounting convention

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties, and in accordance with the charity's memorandum and articles of association, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)". The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £'000.

Going concern

The Trustees believe, after careful consideration of (1) the level of investments (2) review of future funding requirements and (3) cashflow projections for the next 12 months, that the Charity has sufficient financial resilience to continue in operational existence for the foreseeable future and has assumed that there will be no changes to the regulatory framework or Government policy that will affect the Charity's viability. The Trustees therefore consider it appropriate to adopt the going concern basis in preparing these financial statements.

Charitable funds

Unrestricted funds represent funds which are not committed, and which can be used in accordance with VSA's charitable objects at the Trustees' discretion. Trustees also have the discretion to set aside part of the unrestricted funds for a particular purpose or commitment. By earmarking such funds in this way Trustees are creating a designated fund that remains within unrestricted funds.

Restricted funds represent funds earmarked either by the donor or by the terms of an appeal or legacy where they have to be expended on particular projects or service area e.g. Older Peoples Service or acquisition of fixed assets. Sufficient resources are held in an appropriate form to enable each fund to be applied in accordance with its restrictions.

Incoming resources

Income is recognised in the monthly period in which the charity is entitled to receipt and the amount can be measured with reasonable certainty. Income is allocated directly to the relevant category on receipt. Income is deferred only when the charity has to fulfil conditions before becoming entitled to it or where the donor has specified that the income is to be expended in a future period.

Donations and legacies are included when the charity is entitled to the funds, their receipt is probable, and the amount receivable can be quantified.

Grants, including government grants, are recognised in the financial statements in the year in which the charity becomes entitled to their receipt or in the year in which receipt is probable and the value can be accurately measured.

Investment income is fully apportioned to unrestricted income.

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All capital receipts are credited in full to incoming resources in the statement of financial activities (SOFA) in the year they become receivable.

All resources are recorded gross.

Costs of generating funds comprise those costs directly attributable to organising fundraising events, administering donations and legacies received, and in managing the charity shop and are allocated directly.

Charitable expenditure comprises those costs incurred by the charity in delivering activities and services for its service users. It includes both costs that can be allocated directly to such activities and indirect costs necessary to support them. The method of calculating support costs and their allocation to operational sites has been up-dated in the accounts prepared for 31st March 2026 per Note 8 & 9. No comparative figures are available for the prior year accounts.

Resources expended

Resources expended are included in the SOFA on an accrual's basis, inclusive of any VAT which cannot be recovered. This is recognised when there is a legal or constructive obligation to pay for expenditure. All costs are allocated between the expenditure categories of the SOFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly and others are apportioned.

Governance costs include costs associated with meeting constitutional and statutory obligations of the charity and include audit and legal fees and costs linked to the strategic management of the charity and are allocated directly as part of support costs.

Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets represent ICT assets which are not physical in nature, such as software licences and developments costs. Individual and enhanced intangible assets expenditure costing £15,000 or more, are capitalised in the balance sheet at cost.

Amortisation is provided in the year in which the intangible assets are brought into use and is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

- Software 5 years

Tangible fixed assets

Tangible fixed assets are initially measured at cost. Freehold land and buildings are subsequently measured at valuation on the basis of fair value as defined within FRS 102, net of depreciation; all other assets continue to be recorded on the basis of historic cost.

Valuations are instructed every three years. Changes in valuation are processed through the revaluation reserve unless they result in a cumulative loss in which case changes are processed through the SOFA in the year of revaluation.

Individual tangible assets and subsequent enhanced tangible asset expenditure costing £15,000 or more are capitalised in the balance sheet at cost. Land and assets under construction are not depreciated.

Depreciation is provided in the year in which the tangible assets are brought into use and is recognised in order to write off the cost or valuation of assets less their residual values over their useful lives on the following bases

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1 Accounting policies (Continued)

Freehold land and buildings	10-50 years
Fixtures and fittings	5-10 years
Computers	5 years
Motor vehicles	5 years

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset and is recognised in net income/(expenditure) for the year.

Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Stocks

A valuation of farm stocks was carried out at the financial year end. Stocks are stated in accordance with this valuation, which is at the lower of cost or net realisable value.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

Cash and cash equivalents

Cash and cash equivalents include cash in hand; deposits held at call with banks and other short-term liquid investments with original maturities of three months or less.

Financial instruments

The charity has elected to apply the provisions of Section 11 ‘Basic Financial Instruments’ and Section 12 ‘Other Financial Instruments Issues’ of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

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Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities including creditors are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

The charity contributes to four pension schemes, The Pensions Trust, Scottish Teachers Superannuation Scheme, National Employment Savings Trust (NEST) and Scottish Widows.

Within the Pensions Trust there is an Ethical Plan and a Flexible Retirement Plan which are both defined contribution schemes. Prior to January 2009 the charity contributed to Growth Plan Series 3 within the Pensions Trust, which was set up as a defined contribution scheme but the Pension Regulator re-assessed the Growth Plan Series 3 scheme as a defined benefit scheme and as a consequence it was renamed as Growth Plan Series 4. At 1st October 2013, the charity moved all members of the Growth Plan Series 4 to the Flexible Retirement Plan. The charity intends to continue to operate the Flexible Retirement Plan for all existing members and selected future employees.

Scottish Teachers Superannuation Scheme is a defined benefit scheme, but as VSA's share of the underlying assets and liabilities cannot be identified the contributions to the scheme, as advised by the Scottish Office Pension Agency, are accounted for as if it were a defined contribution scheme and are charged to the income and expenditure account so as to spread the cost of pensions over the period during which the company benefits from the employees' services.

National Employment Savings Trust is a defined contribution scheme which the company will operate for all other employees. The pension costs charged to the income and expenditure account are the contributions payable in the year.

Leases

Rentals payable under operating leases, including any lease incentives received, are charged to expenditure on a straight-line basis over the term of the relevant lease.

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2 Critical accounting estimates and judgements

Preparation of the financial statements requires senior management to make some critical judgements and estimates. These judgements and estimates are continually evaluated and are based on historical experiences, advice from qualified professionals and other factors that are believed to be reasonable in the circumstances. The areas where senior management has made critical assumptions and estimates are:

- the going concern concept including cashflow projections
- allocation of management costs
- depreciation and amortisation policies
- reserves policies

3 Donations and legacies

	Unrestricted funds £'000	Restricted funds £'000	Total 2026 £'000	Total 2025 £'000
Donations and gifts	129	240	369	230
Legacies received	85	27	112	184
Trust funds	116	264	380	231
For the year ended 31 March 2026	330	531	861	645
For the year ended 31 March 2025	330	315		645

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4 Charitable activities

For the year ended 31 March 2026	Children & Family £'000	Adult & Older People £'000	Carers Services £'000	Training Income £'000	Other Income £'000	Total 2026 £'000	Total 2025 £'000
Board charges and free personal care	6,976	6,592	-	-	-	13,568	14,838
Revenue grants	94	1,175	982	-	-	2,251	1,771
Support	-	3,949	-	-	-	3,949	3,729
Training income	-	156	-	147	-	303	316
Other income (see note 4.5)	18	1,817	-	9	26	1,870	132
	7,088	13,689	982	156	26	21,941	20,786
Analysis by fund							
Unrestricted funds	6,994	12,514	-	156	26	19,690	
Restricted funds	94	1,175	982	-	-	2,251	
	7,088	13,689	982	156	26	21,941	
For the year ended 31 March 2025							
Unrestricted funds	6,719	12,097	-	166	33		19,015
Restricted funds	61	948	762	-	-		1,771
	6,780	13,045	762	166	33		20,786

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4 Charitable activities (Continued)

For the year ended 31 March 2025	Children & Family £'000	Adult & Older People £'000	Carers Services £'000	Training Income £'000	Other Income £'000	Total 2025 £'000	Total 2024 £'000
Board charges and free personal care	6,713	8,125	-	-	-	14,838	14,210
Revenue grants	61	948	762	-	-	1,771	997
Support	-	3,729	-	-	-	3,729	3,347
Training income	-	165	-	151	-	316	268
Other income	6	78	-	15	33	132	168
	6,780	13,045	762	166	33	20,786	18,990
Analysis by fund							
Unrestricted funds	6,719	12,097	-	166	33	19,015	
Restricted funds	61	948	762	-	-	1,771	
	6,780	13,045	762	166	33	20,786	
For the year ended 31 March 2024							
Unrestricted funds	6,174	11,616	-	138	65		17,993
Restricted funds	59	938	-	-	-		997
	6,233	12,554	-	138	65		18,990

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4.5	**Other Income**	**2026 £'000**	**2025 £'000**
	Other income	143	132
	Settlement income	1,727	-
		1,870	132

During the year, the charity received £1,726,631 in settlement of a historic legal matter (net of legal costs). This represents a one-off item, not expected to recur, and is unrestricted.

5	**Other trading activities**	**2026 £'000**	**2025 £'000**
	Fundraising events	115	127
	Fundraising bookshop	28	22
	Other trading activities	17	26
		160	175

All other trading activities were recorded in unrestricted funds in 2026 and 2025.

6	**Investments**	**2026 £'000**	**2025 £'000**
	Income from listed investments	64	88
	Interest receivable	20	54
		84	142

All investment income was recorded in unrestricted funds in 2026 and 2025.

7	**Raising funds**	**2026 £'000**	**2025 £'000**
	Fundraising and publicity		
	Other fundraising costs	305	307
	Trading costs		
	Operating charity shops	5	4
	Investment management	8	18
		318	329

Expenditure on raising funds in the year amounted to £318,000 (2025: £329,000), all of which related to unrestricted funds.

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8 Charitable activities

For the year ended 31 March 2026	Children & Family £'000	Adult & Older People £'000	Carers Services £'000	Training Income £'000	Other Income £'000	Total 2026 £'000	Total 2025 £'000
Staff costs	4,703	9,394	525	151	-	14,773	14,605
Property costs	354	1,410	6	-	146	1,916	2,603
Supplies & services	213	472	207	-	23	915	1,294
Administration Costs	76	528	71	27	31	733	-
Depreciation	159	647	-	-	72	878	-
	5,505	12,451	809	178	272	19,215	18,502
Share of support costs (see note 9)	1,132	2,747	158	17	32	4,086	5,269
Share of governance costs (see note 9)	113	252	16	2	5	388	337
	6,750	15,450	983	197	309	23,689	24,108
Analysis by fund							
Unrestricted funds	6,641	14,019	-	197	217	21,074	
Restricted funds	109	1,431	983	-	92	2,615	
	6,750	15,450	983	197	309	23,689	
For the year ended 31 March 2025							
Unrestricted funds	6,204	13,564	(30)	458	1,434		21,630
Restricted funds	114	1,590	760	-	14		2,478
	6,318	15,154	730	458	1,448		24,108

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8 Charitable activities (Continued)

	Children & Family	Adult & Older People	Carers Services	Training Income	Other Income	Total 2025	Total 2024
For the year ended 31 March 2025	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
Staff costs	4,284	9,384	495	442	-	14,605	13,037
Property costs	431	1,981	3	-	188	2,603	3,069
Supplies & services	250	918	106	-	20	1,294	917
	4,965	12,283	604	442	208	18,502	17,023
Share of support costs (see note 9)	1,353	2,871	126	16	903	5,269	4,644
Share of governance costs (see note 9)	-	-	-	-	337	337	331
	6,318	15,154	730	458	1,448	24,108	21,998
Analysis by fund							
Unrestricted funds	6,204	13,564	(30)	458	1,434	21,630	
Restricted funds	114	1,590	760	-	14	2,478	
	6,318	15,154	730	458	1,448	24,108	
For the year ended 31 March 2024							
Unrestricted funds	5,987	12,312	-	434	1,390		20,123
Restricted funds	120	1,754	-	-	1		1,875
	6,107	14,066	-	434	1,391		21,998

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9 Support Costs

For the year ended 31 March 2026	Children & Family £'000	Adult & Older People £'000	Carers Services £'000	Training Income £'000	Other Income £'000	Total 2026 £'000	Total 2025 £'000
Governance	113	252	16	2	5	388	337
Corporate Finance	176	394	25	3	-	598	545
Corporate Property	29	65	4	1	-	99	262
Corporate Administration	65	146	9	1	-	221	567
Corporate ICT and Business Systems	248	555	35	4	-	842	545
Corporate HR	181	406	26	3	-	616	610
Corporate Management	254	568	36	5	-	863	1,831
Training	62	210	21	-	-	293	-
Gardening/Maintenance	66	259	-	-	3	328	-
Insurance	51	144	2	-	29	226	-
Depreciation/Loss on Sale of Assets	-	-	-	-	-	-	909
	1,245	2,999	174	19	37	4,474	5,606

Support costs are costs that cannot be directly attributed to a specific charitable activity. The principal central administration and staffing costs including HR, Finance, H&S, Property, ICT, Key Management Personnel and Quality Assurance are calculated in full. They are apportioned as follows:

- Governance and Corporate Departments costs are allocated to sites based on that operational sites expenditure as a percentage of total operational site expenditure
- Training costs are allocated to sites based on training hours provided to operational sites
- Gardening & Property Maintenance – gardeners are allocated by time spent at sites and maintenance staff costs are allocated by size of site
- Insurance costs are allocated either by property values in relation to property insurance or staffing costs for other policies

Governance costs include payments to the auditors and their associates of £25,200 (2025: £28,800) for audit fees and £nil (2025: £nil) for other financial services.

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10 Grants

	Grants to Individuals £'000	Total 2026 £'000	Total 2025 £'000
District Nursing	1	1	1
Time to Live	191	191	100
Young Carers	4	4	8
Carers Grants	1	1	0
Crisis Support	0	0	2
Fuel Fund	31	31	351
	228	228	462

The district nursing grant provides financial aid to retired registered nurses. The 'time to live', 'young carers' and 'carers grants' were provided to unpaid carers in Aberdeenshire. Crisis support grants were provided to those in Aberdeen in urgent financial need due to unforeseen circumstances out with their control. Fuel Fund grants were provided to those individuals and families on low income to assist with winter heating bills and heating efficiency systems.

11 Trustees

None of the Trustees (or any persons connected with them) were reimbursed any expenses or received any remuneration or benefits from the charity during the year.

The sum of £3,730 (2025: £2,134) was incurred during the year for the purchase of insurance to indemnify the trustees against the consequences of any neglect or defaults.

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12 Employees

The average monthly number of employees during the year was 513 (2025: 520).

	2026 £'000	2025 £'000
Employees by full time equivalent:		
Children & family services	99	135
Adult & older people	228	214
Carers services	15	12
Training	11	8
Other	58	51
	411	420
Employment costs		
Wages and salaries	14,999	14,971
Social security costs	1,715	1,253
Other pension costs	460	427
	17,174	16,651

During the year, the charity made redundancy payments totalling £149,363 (2025: £65,092).

The number of employees whose annual remuneration (including employer's national insurance contributions) was £60,000 or more were:

	2026 Number	2025 Number
£60,001 - £70,000	9	4
£70,001 - £80,000	1	1
£80,001 - £90,000	1	-
£90,001 - £100,000	-	3
£100,001 - £110,000	2	1
£110,001 - £120,000	-	-
£120,001 - £130,000	-	1

Thirteen of the employees (2025: ten) are members of The Pension Trust and contributions amounting to £57,170 (2025: £48,610) were made to their pension scheme during the year.

The Chief Executive received Benefits in Kind during the year equivalent in value to £1,684 (2025: £2,396).

The key management personnel of the charity are defined as the Chief Executive & Company Secretary and the Senior Management Team as detailed in the Trustees' Report. The remuneration of key management personnel in the year amounted to £843,424 (2025: £657,030).

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13 Net gains/(losses) on investments

	2026 £'000	2025 £'000
Revaluation of investments	(423)	(64)
Gain/(Loss) on sale of investments	616	(16)
Net gains/(losses) on investment	193	(80)

14 Intangible fixed assets

	Software £'000
Cost	
At 1 April 2025	421
Additions - separately acquired	55
At 31 March 2026	476
Amortisation and impairment	
At 1 April 2025	406
Amortisation charged for the year	22
At 31 March 2026	428
Carrying amount	
At 31 March 2026	48
At 31 March 2025	15

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15 Tangible fixed assets

	Freehold land and buildings £'000	Assets under construction £'000	Fixtures and fittings £'000	Computers £'000	Motor vehicles £'000	Total £'000
Cost or valuation						
At 1 April 2025	35,840	-	1,666	301	340	38,147
Additions	-	-	73	17	-	90
Disposals	-	-	-	-	(18)	(18)
Revaluation	(1,646)	-	-	-	-	(1,646)
At 31 March 2026	34,194	-	1,739	318	322	36,573
Depreciation and impairment						
At 1 April 2025	1,594	-	1,638	301	286	3,819
Depreciation charged in the year	797	-	29	4	27	857
Disposals	-	-	-	-	(18)	(18)
Revaluation	(2,391)	-	-	-	-	(2,391)
At 31 March 2026	-	-	1,667	305	295	2,267
Carrying amount						
At 31 March 2026	34,194	-	72	13	27	34,306
At 31 March 2025	34,246	-	28	-	54	34,328

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15 Tangible fixed assets (Continued)

The freehold heritable properties were independently valued as at 31 March 2026 as £34,195,289 by Graham & Sibbald, Chartered Surveyors. The properties have been valued using either the Depreciated Replacement Cost (DRC) or Fair Value methodology.

At 31 March 2026, had the revalued assets been carried at historic cost less accumulated depreciation and accumulated impairment losses, their carrying amount would have been approximately £13,061,056 (2025: £13,495,474).

At the year end the charity had committed to £87,000 (2025: £nil) of capital expenditure all in respect of land and buildings. See note 30.

16 Fixed asset investments

	Listed investments £'000	Cash in portfolio £'000	Total £'000
Cost or valuation			
At 1 April 2025	2,914	65	2,979
Additions	293	-	293
Valuation changes	(423)	-	(423)
Net movement in cash held awaiting investment	-	(5)	(5)
Disposals	(1,583)	-	(1,583)
At 31 March 2026	1,201	60	1,261
Carrying amount			
At 31 March 2026	1,201	60	1,261
At 31 March 2025	2,914	65	2,979

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17 Debtors

	2026 £'000	2025 £'000
Amounts falling due within one year:		
Trade debtors	1,189	1,021
Other debtors	27	16
Prepayments and accrued income	876	927
	2,092	1,964

18 Creditors: amounts falling due within one year

	Notes	2026 £'000	2025 £'000
Trade creditors		254	429
Other taxation and social security		617	586
Deferred income	**20**	371	167
Other creditors		42	38
Accruals		596	698
		1,880	1,918

19 Financial instruments

	2026 £'000	2025 £'000
Carrying amount of financial assets		
Debt instruments measured at amortised cost	1,216	1,037
Equity instruments measured at fair value through income and expenditure	1,201	2,915
Carrying amount of financial liabilities		
Measured at amortised cost	895	1,165

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20 Deferred income

	2026 £'000	2025 £'000
Other deferred income	371	167

Deferred income is included in the financial statements as follows:

Current liabilities	371	167

During the year £166,834 (2025: £39,976) of deferred income brought forward from the prior year was released to the Statement of Financial Activities. The remaining £nil (2025: £nil) is included in deferred income at the year-end in addition to £371,060 (2025: £166,834) of income received in the year which has also been deferred.

21 Heritable property

The company owned, at 31 March 2026, the following subjects in Aberdeen, unless otherwise stated:

The freehold heritable properties and land were independently valued as at 31 March 2026 by Graham & Sibbald, Chartered Surveyors, in accordance with RICS appraisal and valuation methodology.

Name/Description	Location	Main Use
Head Office	Castle Street	Main registered Office & Book Shop
Cloverfield Grove	Bucksburn	Housing with Care for Older People
Broomhill Park	Broomhill Road	Housing with Care for Older People
Ruthrieston House	Broomhill Road	Residential Care for Older People
Crosby House	May Baird Avenue	Residential Care for Older People
Forestgait Lodge / Richmondhill Court	Richmond Place	Sheltered Housing / Residential Flats
Broomhill Activity Centre	Broomhill Road	Activity Centre
Linn Moor School	Peterculter	Residential School
Rowanlea House	Peterculter	Transition to Adult Supported Housing
Rowanlea Cottage	Peterculter	Transition to Adult Supported Housing
Apache Cottage	Peterculter	Residential for Linn Moor School
Arrdeir House	Mannofield	Residential Care for Adults
St Aubins	South Anderson Drive	Residential Care for Adults
Northfield Lodge	Provost Fraser Drive	Residential Care for Adults
Abergeldie House	450 Holburn Street	Residential Care for Adults
Queen Mother House	18 Claremount Street	Residential Care for Adults
Easter Anguston	Peterculter	Supported Adult Training
Farm Land Buildings	Peterculter	Supported Adult Training
Crichton House	Peterculter	Visitor Café
4 Crown Crescent	Peterculter	Adult Housing with Support
40 Crown Crescent	Peterculter	Adult Housing with Support
1-4 Craigton Grove	Peterculter	Adult Housing with Support

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22 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 April 2025 £'000	Incoming resources £'000	Resources expended £'000	Transfers £'000	Balance at 31 March 2026 £'000
Aberdeen District Nurses	15	-	(1)	-	14
Residents Amenities Fund	1	11	(8)	-	4
AG Bain Trust Bathrooms NL	13	-	(13)	-	-
George Crombie Trust Bath CL	2	-	-	-	2
AG Bain Trust Windows NL	-	90	(52)	-	38
Abdn Council Barn Renovation EA	-	12	-	-	12
Barrack Trust Barn Renovation EA	-	5	-	-	5
Batchworth Trust Bathrooms NL	-	25	(25)	-	-
Christmas Fund	-	1	(1)	-	-
Communities MH&WB ASNPNP	-	15	-	-	15
CNR International Ltd Roof LM	-	5	-	-	5
GJ&A Chalmers Wellbeing CR	-	2	-	-	2
Grant Funding	-	2,251	(2,244)	-	7
G Hunter Foundation Bathrooms NL	-	3	(3)	-	-
Hunt Trust OPS	-	10	-	-	10
Hunt Trust C&F	-	10	(10)	-	-
Ina S Sutherland Tech Upgrade LM	-	8	-	-	8
IS Changing Places Toilet Fund LM	-	11	-	-	11
Crisis Fund	43	3	-	-	46
Fuel Fund	43	3	(28)	-	18
Climb the Classroom LM	4	-	-	-	4
Crerar Trust Therapy Rooms LM	-	16	-	-	16
Crerar Trust Bathrooms NL	20	-	(20)	-	-
John Shivas Trust LM	69	35	-	-	104
John Gordon Charitable Fund OPS	20	10	(24)	-	6
D Simpson Legacy EA	47	-	(21)	-	26
H McDonald Legacy LM	6	-	(6)	-	-
Ithaca Shower Rooms NL	-	8	(8)	-	-
Ithaca SOS Marketing Campaign	-	100	(92)	-	8
Ithaca Dementia Works CR	43	-	(35)	-	8
E Crighton Young Legacy YC	-	27	-	-	27
PX Ltd Support Group Carers	-	3	(1)	-	2
SOS Campaign Dementia Care	-	97	(2)	-	95
Sing Sing Sing Tech Upgrades LM	-	2	-	-	2
Verden Sykes Connections MHS	-	2	-	-	2
Souter Charitable Trust EA	-	3	(3)	-	-
VSA Service Restricted	-	14	(14)	-	-
Communities MH&WB Reconnect	4	-	(4)	-	-
	330	2,782	(2,615)	-	497

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22 Restricted funds (Continued)

	Balance at 1 April 2024 £'000	Incoming resources £'000	Resources expended £'000	Transfers £'000	Balance at 31 March 2025 £'000
Residents Amenities Fund	-	7	(6)	-	1
AG Bain Tr-Shower&Bath Con NL	-	50	(37)	-	13
Restr Trust:Cromb CL Baths	2	-	-	-	2
Aberdeen District Nurses Benevolent Fund	16	-	(1)	-	15
Aberdeen Student Show-LM	-	2	(2)	-	-
Crisis Fund	43	2	(2)	-	43
Fuel Fund	447	3	(407)	-	43
Care&Home-Community Drop	-	1	(1)	-	-
Barrack Trust	8	-	(8)	-	-
Climb the Classroom LM	-	4	-	-	4
Christmas Funds	-	1	(1)	-	-
Crerar Trust NL Bath&Shower	-	20	-	-	20
FoundationScotland Windows NL	-	10	(10)	-	-
John Shivas Trust LM	35	34	-	-	69
John Gordon Charitable Fund	-	20	-	-	20
Grant Funding	-	1,778	(1,778)	-	-
Hugh Fraser Foundation NL	-	20	(20)	-	-
D Simpson Fund	95	7	(55)	-	47
H McDonald Fund	11	-	(5)	-	6
Carers Trust-Travel Support	-	-	-	-	-
Ithaca Multiplay&Sensory Garden	-	35	(35)	-	-
Ithaca-Dementia Works Crosby	-	45	(2)	-	43
Ithaca Energy Fund QMH Refurbs	8	6	(14)	-	-
Rest Trust Adamson - OPS	-	-	-	-	-
Legacy-M Duncan-OPS	-	1	(1)	-	-
P C Martin Fund	52	2	(54)	-	-
Restricted Donations	-	26	(26)	-	-
Communities MH&W Fund	-	4	-	-	4
Ina Scott Sutherland NL Refurb	-	8	(8)	-	-
Ina Scott Sutherland BAC Floor	5	-	(5)	-	-
	722	2,086	(2,478)	-	330

Descriptions:

- Residents Amenities Fund – to fund outings, entertainment and small gifts for residents
- AG Bain Trust - to fund Shower and Bathroom Conversions and new Windows at Northfield Lodge
- Aberdeen Council Place Based Investment Fund - to fund Barn Rennovation at Easter Anguston Farm
- Aberdeen District Nurses Benevolent Fund – to provide financial and material aid to retired registered nurses
- Crisis Fund – to assist to those in urgent financial need due to unforeseen circumstances out with their control
- Fuel Fund – to assist with winter heating bills and heating efficiency systems

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Descriptions cont.

- Barrack Trust – contribution towards Barn Renovation at Easter Anguston Farm
- Batchworth Trust – contribution towards Shower and Bathroom Conversions at Northfield Lodge
- Climb the Classroom Challenge undertaken by Linn Moor - to fund a Sensory Classroom
- Christmas Fund – to cover parties and gifts to service users over the festive period
- Communities Mental Health & Wellbeing Fund - to support Reconnections by funding outings to community events for service users
- Crerar Trust - to fund Shower & Bathroom Conversions at Northfield Lodge. Further funding received to support the Therapeutic Project at Linn Moor
- John Shivas Memorial Trust – for expenditure at Linn Moor residential school
- The John Gordon Charitable Fund – to fund expenditure towards a Development Worker post to support Older Peoples Services
- D Simpson Legacy - for expenditure at Easter Anguston Farm
- H McDonald Legacy - for expenditure at Linn Moor residential school
- CNR International – towards expenditure to repair the Assembly Roof at Linn Moor
- George James & Alexander Chalmers Trust – to fund wellbeing activities for the residents at Crosby
- Restricted Donations – to fund a specific service at a specific location as nominated by the donor
- Grant Funding – to cover the costs of meeting contract specifications on running and providing services
- Graham Hunter Foundation – contribution towards the Shower and Bathroom Conversions at Northfield Lodge
- Hunt Trust – funding towards Children & Family and Older People Services
- Ina Scott Sutherland – to contribute towards the Tech Up-grades at Linn Moor
- Inspiring Scotland Changing Places Toilet Fund – to fund an accessible toilet at the Farm
- Ithaca Energy – to cover expenditure to facilitate development of the Farm
- Ithaca Energy – to cover the costs of the SOS Marketing Campaign
- Ithaca Energy- contribution towards Shower and Bathroom Conversions at Northfield Lodge
- Ithaca Energy - to fund Dementia Works at Crosby
- E Crighton Young Legacy – to cover expenditure to support unpaid young carers
- PX Limited – to cover the costs of the Cafe and Support Group for unpaid carers
- SOS Campaign-Dementia Care – includes funds raised at the Sir Alex Ferguson Dinner and The Saturday Hospital Fund to fund support for people living with dementia
- Sing Sing Sing Profit -– to contribute towards the Tech Up-grades at Linn Moor
- Souter Charitable Trust - to fund expenditure for waterproof clothing for the staff and trainees at the Farm
- Verden Sykes Trust – to cover activities and outings for service users at our Mental Health Sites
- Communities Mental Health & Wellbeing Fund – to fund the set-up of a Parent Support Network Group for parents who have children with additional support needs

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23 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 April 2025 £'000	Incoming resources £'000	Resources expended £'000	Transfers	Balance at 31 March 2026 £'000
QMH Refurbishments	12	-	(8)	-	4
	12	-	(8)	-	4

24 Revaluation reserve

Movement in the revaluation reserve, which is included in unrestricted funds, during the year was as follows:

	Balance at 1 April 2024 £'000	Revaluation £'000	Release to Unrestricted Funds £'000	Balance at 31 March 2025 £'000
Revaluation reserve	24,296	-	(2,594)	21,702

		Movement in funds		
	Balance at 1 April 2025 £'000	Revaluation £'000	Release to Unrestricted Funds £'000	Balance at 31 March 2026 £'000
Revaluation reserve	21,702	745	(785)	21,662

The movement in funds in 2025 includes £2,179k removed from the revaluation reserve due to Properties sold to date previously not adjusted for in the revaluation reserve.

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25 Analysis of net assets between funds	Unrestricted funds £'000	Restricted funds £'000	Total £'000
Fund balances at 31 March 2026 are represented by:			
Intangible fixed assets	48	-	48
Tangible assets	34,306	-	34,306
Investments	1,261	-	1,261
Net current assets	2,025	497	2,522
	37,640	497	38,137

26 Cash absorbed by operations	2026 £'000	2025 £'000
Net outgoing resources for the year	(768)	(2,769)
Adjustments for:		
Investment income recognised in statement of financial activities	(84)	(142)
Loss/(gain) on disposal of investments	(616)	16
Fair value losses on investments	423	62
Amortisation and impairment of intangible assets	22	11
Depreciation and impairment of tangible fixed assets	857	847
Loss on disposal of tangible fixed assets	-	51
Movements in working capital:		
(Increase) in debtors	(128)	(315)
Increase/(decrease) in creditors	(242)	535
Increase in deferred income	204	127
Cash absorbed by operations	(332)	(1,577)

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Net debt reconciliation

	At 1 April 2025	Cash flows	Non-cash movements	At 31 March 2026
Cash and cash equivalents	792	1,518	-	2,310
Debt: amounts falling due within 1 year	-	-	-	
Debt: amounts falling due after 1 year	-	-	-	
Total net debt	792	1,518	-	2,310

27 Pension costs

During the year, the charity contributed to three pension schemes for certain employees. The details of these schemes are shown below:

a) The Pensions Trust

The charity participates in the Pensions Trust's Flexible Retirement Plan and Ethical Plan. Both plans are non-contracted out defined contribution schemes which are not affected by the debt on withdrawal legislation. The charity offers membership of the Flexible Retirement Plan or membership of the Ethical Plan to all managerial staff.

There were 27 active members of the Flexible Retirement Plan at 31 March 2026 (2025: 32). There were 4 active members of the Ethical Plan at 31 March 2026 (2025: 4).

The charity paid contributions at a rate of 7.25% during the accounting year. Members paid contributions at the rate of 4% during the accounting year.

A charge of £101,299 (2025: £109,047) has been made in the year. Employer contributions totalling £7,846 (2025: £9,800) were payable to the pension fund at 31 March 2026 and are included in creditors.

b) Scottish Teachers Superannuation Scheme

The scheme is an unfunded multi-employer defined benefit scheme. It is accepted that the treatment can be as a defined contribution scheme as the charity is unable to identify its share of the underlying assets and liabilities of the scheme. As the scheme is unfunded there can be no surplus or shortfall. Pension contribution rates are set by the scheme actuary at a level to meet the cost of the pensions as they accrue.

A revised Scottish Teachers' Pension Scheme (STPS) was introduced from 1st April 2015, which meets the requirements of the UK Government's reform program. For the purposes of the reform process, HM Treasury set a benchmark scheme for the STPS which was based upon the new 2015 Teachers' Pension Scheme for England and Wales. Therefore, by definition, the new Scottish Teachers' Pension Scheme design meets the cost envelope set by HM Treasury without requiring any further detailed actuarial analysis.

There were 6 active members of the scheme as at 31 March 2026 (2025: 6). Contributions rates were payable by the charity at 26% (2025: 26%) of pensionable salaries. Members also contributed on salary based sliding scale percentage as follows:

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Actual Pensionable Salary	Contributions for 2025/26 (% of pensionable Salary)
Up to and including £34,286	7.35%
£34,287 to £46,155	8.88%
£46,156 to £54,728	9.90%
£54,729 to £67,975	10.61%
£67,976 to £92,693	11.73%
£92,694 and above	12.14%

The total STSS pension costs for the charity were £80,017 (2025: £73,586) and these contributions were made to their pension scheme during the year. Employer contributions totalling £4,508 (2025: £6,061) were payable to the pension fund at 31 March 2026 and are included in creditors.

c) National Employment Savings Trust

The charity joined the National Employment Savings Trust (NEST) on 1 November 2013. This pension scheme was chosen to comply with automatic enrolment legislation.

NEST is run by NEST Corporation, a trustee body who set the strategic direction and objectives for NEST. NEST Corporation is a non-departmental public body that operates at arm's length from the government and is accountable to Parliament through the Department for Work and Pensions. All staff below managerial level are automatically enrolled into this scheme. There were 389 active members of NEST at 31 March 2026 (2025: 382).

The charity paid contributions at a rate of 3% and members paid contributions at a rate of 5.0% respectively during the accounting year. A charge of £278,410 (2025: £262,530) has been made in the year. Employer contributions totalling £23,171 (2025: £21,857) were payable to the pension fund at 31 March 2026 and are included in creditors.

d) Scottish Widows

Scottish Widows pension scheme operated as a private pension for a single employee. The individual joined the scheme on 01.05.2025 and ceased membership on 12.12.2025. The charity paid contribution 7.25 % and member paid contribution at a rate of 4%. A charge of £15,000 has been made in the year 2026.

28 Operating lease commitments

At the reporting end date, the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2026 £'000	2025 £'000
Within one year	39	29
Between one and five years	37	10
	76	39

Lease commitments are for buildings, vehicles, and equipment. The lease expenditure charged to income and expenditure in the year was £60,000 (2025: £59,000).

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29 Related party transactions

There are no related party transactions to disclose.

30 Capital commitments

At the reporting end date, the charity had capital commitments as follows:	2026 £'000	2025 £'000
Within one year	87	-
Between one and five years	-	-
	87	-

31 Members' liability

Members' liability is limited by guarantee not in excess of £1 per member.